(c) whether the Wold Bank Chief visited India in the months of August and September, 2005;

(d) if so, whether any agreement has been signed;

(e) if so, the details thereof; and

(f) the terms and conditions thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) The World Bank's Country Strategy for India (July 2004—June 2008), mutually agreed between Government of India and the World Bank, envisages upscaling of Bank's lending to India to US$ 2.5 to 3 billion per annum in each of these four years.

(c) The World Bank President visited India during August 18—20, 2005.

(d) to (f) The 'Maharashtra Water Sector Improvement Project' for loan amount of US$ 325 million by International Bank for Reconstruction and Development (IBRD) was signed on 19.8.2005 in New Delhi in the presence of the Union Finance Minister and the President, World Bank. The loan is payable in 20 years inclusive of a grace period of 5 years. The interest rate is determined based on 6 months LIBOR plus a variable spread.

Branches of Multinational Banks in rural areas

1418. SHRI THENNALA G BALAKRISHNA PILLAI: Will the Minister of FINANCE be pleased to state:

(a) the total number of branches of Multinational banks in the rural areas in the country so far;

(b) whether Government have given any instruction to start branches of their banks in the rural areas; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) As on 30th September, 2006, 29 foreign banks have branch presence (258) in metropolitan and other cities in India. Foreign banks have no branch presence in rural areas.

(b) and (c) In the "*Road Map for presence of foreign banks in India*"

issued by RBI on 28.02.2005, it is proposed to go beyond the existing World Trade Organisation (WTO) commitment of 12 branches in a year for new and existing foreign banks and to follow a more liberal policy for allowing branches of foreign banks in under-banked areas.

Action against defaulter NBFCs

†1419. SHRI MAHENDRA SAHNI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that no action has been taken against the Non-Banking Financial Companies in the country despite misappropriation of crores of rupees of the investors by them;

(b) if so, the details thereof; and

(c) the details of action taken against the identified Non-Banking Financial Companies?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) It has been reported by Reserve Bank of India (RBI) that no such complaints have been received in this regard. However, RBI has received complaints against several Non-Banking Financial Companies (NBFCs) which have defaulted in maturity payments to the depositors.

(c) RBI has been taking action against NBFCs which have not complied with the provisions of RBI Act and the directions thereunder or have shown weaknesses in the financial position. Such action includes prohibiting the companies from carrying on non-banking financial activity, acceptance of deposits and alienation of assets. Wherever the default is persistent in nature, RBI initiates winding up proceedings and also files criminal complaint against the directors of the NBFC. So far, RBI has filed winding up petition against 84 NBFCs and criminal complaints in 70 cases and 27 complaints under Section 420 of IPC for cheating members of public.

†Original notice of the question was received in Hindi.